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6 *Co-Lead Class Counsel for Indirect-Purchaser Plaintiffs*  
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**UNITED STATES DISTRICT COURT**  
**NORTHERN DISTRICT OF CALIFORNIA**  
**SAN FRANCISCO DIVISION**

12 IN RE TFT-LCD (FLAT PANEL)  
 13 ANTITRUST LITIGATION

Case No. 3:07-md-1827 SI  
 MDL No. 1827

14 This Document Relates to:

15 Indirect-Purchaser Class Action;

16 *State of Missouri, et al. v. AU Optronics*  
 Corporation, et al.,  
 Case No. 10-cv-3619-SI;

17 *State of Florida v. AU Optronics*  
 Corporation, et al.,  
 Case No. 10-cv-3517 SI; and

18 *State of New York v. AU Optronics*  
 Corporation, et al.,  
 Case No. 11-cv-0711-SI.

**CLASS ACTION**

**INDIRECT PURCHASER PLAINTIFFS'  
 REPORT ON SETTLEMENT FUND  
 DISTRIBUTION AND REQUEST FOR AN  
 ORDER AUTHORIZING DISTRIBUTION OF  
 RESIDUAL AMOUNTS**

1 Co-Lead Class Counsel for the Indirect-Purchaser Plaintiffs respectfully submit this report  
 2 on the status of Settlement Fund distribution and respectfully request an order authorizing  
 3 distribution of the remaining unclaimed funds.

4 **I. The Court’s Previous Rulings and Rust’s Previous Distribution Activities**

5 These actions have been settled with each of the defendants under settlement agreements  
 6 that provide for injunctive relief and payments totaling \$1.082 billion (the “Settlement Fund”).  
 7 The Court approved the settlements, the plan of distribution, attorneys’ fees and expenses to both  
 8 Class Counsel and counsel for the Settling States, as well as incentive awards to the named  
 9 plaintiffs/class representatives.<sup>1</sup>

10 In its October 20, 2014 order (Dkt. 9273), the Court appointed Rust Consulting, Inc.  
 11 (“Rust”) the Fund Administrator and directed Rust to pay all approved class claims, incentive  
 12 awards, Settling States’ proprietary claims, and attorneys’ fees and expenses.<sup>2</sup> The Order further  
 13 provides, in pertinent part, that “Co-Lead Counsel and Settling States’ counsel shall report to the  
 14 Court the total amount of valid claims processed . . . and shall suggest a pro rata payment  
 15 amount, if any, for [late claims] based upon available residual funds, with a per-panel payment  
 16 not to exceed that paid to timely claimants. Rust’s costs of processing such claims shall be  
 17 deducted from available residual funds.”<sup>3</sup> After the initial distribution, Class Counsel and the  
 18 State Attorneys General submitted a joint report on December 23, 2015 updating the status of the  
 19 settlement fund distribution and recommending the distribution of residual amounts.<sup>4</sup> Pursuant  
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23 <sup>1</sup> See Order Granting Final Approval (Dkt. 6130), entered July 11, 2012; Second Am. Order  
 24 Granting Final Approval (Dkt. 7697), entered April 3, 2013.

25 <sup>2</sup> Order Re: Indirect Purchaser Plaintiffs’ and States Attorneys General’s Joint Motion for  
 Interim Reimbursement of Expenses (Dkt. 9273), entered October 20, 2014.

26 <sup>3</sup> *Id.*, ¶ 10.

27 <sup>4</sup> See Indirect Purchaser Plaintiffs’ and State Attorneys General’s Joint Report of Settlement  
 Fund Distribution and Request for an Order Authorizing Distribution of Residual Amounts (Dkt.  
 9498), filed December 23, 2015.

1 to this Court's approval on January 4, 2016,<sup>5</sup> Rust subsequently made a total additional  
 2 distribution of \$2,125,026.74 to timely-filed but underpaid or unpaid/reissued claims.<sup>6</sup> Rust  
 3 further distributed payments to the 119 eligible class members with late claims that were filed  
 4 between June 7, 2014 and October 6, 2014 at the approved *pro rata* amount of \$4.57 per panel  
 5 equivalent.<sup>7</sup> After the Court's January 4, 2016 Order directing these payments to be issued, the  
 6 amount of funds available to make payments to these claimants was increased by \$701,015.31  
 7 due to the return of a claim from a claimant.<sup>8</sup> As a result of this return, the total amount paid to  
 8 the 119 eligible class members with late claims was \$1,714,792.51.<sup>9</sup>

## 10 **II. The Settlement Fund's Remaining Balance and Recommended Distribution**

### 11 A. Unclaimed Funds

12 After the above-mentioned distribution, the Settlement Fund has a balance of  
 13 \$164,817.54.<sup>10</sup> This balance is comprised of two amounts. First, 13 of the 119 checks  
 14 distributed to eligible class members remain uncashed, leaving a bank balance of \$22,083.49.<sup>11</sup>  
 15 Second, on February 7, 2017, Rust received a returned refund check in the amount of  
 16 \$142,734.05 from Associated Students U.C.L.A. ("AS-UCLA"). This claim was filed in good  
 17 order on June 6, 2012, by the third-party filer, Financial Recovery Services, Inc. d/b/a Financial  
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 21 <sup>5</sup> See Order Authorizing Distribution of Residual Settlement Funds (Dkt. 9499), entered January  
 22 4, 2016.

23 <sup>6</sup> Declaration of Amy Lake of Rust Consulting, Inc., Distribution Administrator, Regarding  
 24 Distribution of Settlement Fund ("Lake Decl."), ¶ 3.a.

25 <sup>7</sup> Lake Decl., ¶ 3.b.

26 <sup>8</sup> *Id.*

27 <sup>9</sup> *Id.* The 119 claims initially received a *pro rata* amount of \$4.57 per panel equivalent. After  
 28 the additional funds were available, they received an additional *pro rata* amount of \$3.16 per  
 panel, for a total of \$7.73 per panel.

<sup>10</sup> *Id.*, ¶ 6.

<sup>11</sup> *Id.*, ¶¶ 4 and 8.

1 Recovery Strategies (“FRS”).<sup>12</sup> The original payment was issued to FRS on October 24, 2014 in  
 2 the amount of \$175,365.83.<sup>13</sup> FRS is in possession of the difference, \$32,631.78, which was  
 3 retained as its commission.<sup>14</sup> In a January 18, 2017 letter, claimant AS-UCLA stated that it  
 4 could not “establish with certainty the basis upon which the claim was calculated on [its]  
 5 behalf.”<sup>15</sup> In response to Rust’s inquiry of the returned payment and FRS’s right to retain the  
 6 commission in connection with this payment, AS-UCLA wrote in a May 26, 2017 letter to  
 7 clarify that although it returned the payment it received, it is not withdrawing the claim that FRS  
 8 submitted on its behalf, nor is it withdrawing the declaration it executed in connection with that  
 9 claim.<sup>16</sup> The letter explains, “[b]ased on internal Board deliverations [sic], the Board determined  
 10 to return the funds; that determination is not, and should not be interpreted to be, any  
 11 disagreement with FRS, with the services FRS provided pursuant to the Authorization  
 12 Agreement . . . or with FRS’s entitlement to the fees it earned as set forth in that Authorization  
 13 Agreement.”<sup>17</sup>

16 B. Rust’s Costs of Claims Administration

17 Pursuant to the Court’s approval,<sup>18</sup> Rust received \$506,634.18 in costs of claims  
 18 administration.<sup>19</sup> In connection with the additional distribution and monitoring activities, Rust has  
 19 invoiced an additional amount of \$95,838 for completed administration work outside of the  
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22 <sup>12</sup> *Id.*, ¶ 5.

23 <sup>13</sup> *Id.*

24 <sup>14</sup> *Id.*

25 <sup>15</sup> *Id.*, Ex. 1.

26 <sup>16</sup> *Id.*, Exs. 2 and 3.

27 <sup>17</sup> *Id.*, Ex. 2.

28 <sup>18</sup> Order Authorizing Distribution of Residual Settlement Funds (Dkt. 9499) (Jan. 4, 2016).

<sup>19</sup> Lake Decl., ¶ 7.

1 approved costs.<sup>20</sup> Pursuant to the settlement agreements, the costs of claim administration  
 2 invoiced by Rust shall be deducted from the Settlement Fund of each settling defendant, *pro rata*,  
 3 based on each settling defendant's settlement amount.

4 C. Recommended Distribution of Residual Funds

5 Since December of 2015, there have been 13 reissue requests totaling \$189,283.74, which  
 6 have been denied as being past the deadline.<sup>21</sup> These requests are from claimants who submitted  
 7 timely, valid claims and were paid, but did not cash their checks.<sup>22</sup> In order to facilitate the use of  
 8 the remaining funds for distributions made in 2016, a deadline was set after which no additional  
 9 reissue requests were processed.<sup>23</sup> Rust is ready to utilize the remaining available balance of  
 10 \$68,979.54 to distribute 13 payments to these eligible late claims.<sup>24</sup>

11 Class Counsel respectfully recommend that the Court authorize payments to the 13 reissue  
 12 requests. Based on the available residual funds for distribution, checks will be reissued at 36.44%  
 13 of the original payments to these claimants.<sup>25</sup> Upon approval of the Court, Rust shall promptly  
 14 distribute payments to the 13 claims and void all uncashed payments sixty (60) days after final  
 15 reissuance of payments are mailed. On account of the foregoing statements, the Indirect-Purchaser  
 16 Plaintiffs, by and through their counsel of record, respectfully request that the Court enter the  
 17 attached Proposed Order authorizing distribution of the residual amounts and payment of claims  
 18 administration costs from the Settlement Fund.

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22 <sup>20</sup> *Id.*, Ex. 4. This full invoiced amount exceeds Rust's original estimate of \$38,000 for  
 23 completing the project. *See* Declaration of Amy Lake of Rust Consulting, Inc., Distribution  
 24 Administrator, Regarding Distribution of Settlement Fund (Dkt. 9481-1) (Dec. 23, 2015), ¶ 10.

25 <sup>21</sup> Lake Decl., ¶ 8.

26 <sup>22</sup> *Id.* Pursuant to the Court's July 20, 2016 Order (Dkt. 9542), Mr. Ronald Waterman will be  
 27 among the 13 claimants to receive a check from the remaining funds. *Id.*, ¶ 9.

28 <sup>23</sup> *Id.*

<sup>24</sup> *Id.*

<sup>25</sup> *Id.*

1 Dated: December 28, 2017

Respectfully submitted,

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#### 30 ATTESTATION

31 Pursuant to Civil Local Rule 5-1(i)(3), regarding signatures, I attest that I have obtained the  
32 concurrence in the filing of this document from all signatories.

33 Dated: December 28, 2017

34 /s/ Qianwei Fu  
35 Qianwei Fu

36 #4849-5404-4241